



CITY OF SAN ANTONIO

SAN ANTONIO TEXAS 78283-3966

September 22, 2011

Kevin W. Barthold, CPA, CIA, CISA
Acting City Auditor
San Antonio, Texas

RE: Management's Corrective Action Plan for the Development Services Department and Building Permits Issuance and Collections Process Follow-Up Audit

The Development Services Department has reviewed the follow-up audit report and has developed the Corrective Action Plans below for the one "not implemented" and the three "in process" recommendations.

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
	The Development Services Director should implement controls to ensure customers pay all relevant fees associated with trade permits.	2	Accept	Terry Kannawin	Residential – 10/12 Commercial – 10/13
	<p>Action plan: Development Services' trade permits are based upon the number of inspection items, such as the number of electrical outlets, water heaters, etc. Currently, the department's inspectors will turndown inspections if they notice the permit does not have the correct number of inspections items. This inspection turndown requires customers to amend their permits to add the additional items. This control works well for easy to identify permit items such as water heaters but not for items such as electrical outlets. In order to implement better controls, the department will:</p> <p>Residential Permits</p> <ol style="list-style-type: none">1. Develop a new fee structure for new residential permits2. Work with the department's stakeholders to explain new fee structure3. Configure Hansen land management software for the new fees <p>Commercial Permits</p> <p>Developing a new fee structure for commercial projects is more complex than residential due to the wide-range of construction and occupant load. As a result, the department would need to:</p> <ol style="list-style-type: none">1. Hire a consultant to develop the new fee structure2. Work with the department's stakeholders to explain new fee structure3. Configure Hansen land management software for the new fees				


	The Development Services Director should comply with the Department's cash handling policies and procedures for customer refunds. In addition, consider revising the policy to decrease the number of days allowed for a refund.	3	Accept	Terry Kannawin	11/30/2011
	Action plan: In progress. Development Services' decreased the number of days allowed for a refund from 120 days to 30 days for trade permits and 90 days for building permits. In addition, the department will expand its permit refund policy across all sections in the department.				
	The Development Services Director should ensure timely revocation of access privileges for individuals that no longer require access to the Hansen system.	3	Accept	Terry Kannawin	On-going
	Action plan: Development Services implemented an SOP to ensure timely revocation of access privileges. In addition, the department will continue to monitor the timely removal of user access.				
	The Development Services Director should ensure employee access to the Hansen system is consistent with assigned job responsibilities. Also, enforce compliance with the City's Administrative Directive 7.6 – Security and Passwords.	3	Accept	Terry Kannawin	1/12
	Action plan: The department will work with ITSD staff to fully understand the permissions granted within each role. In addition, the department will work with ITSD staff to make changes to Hansen that will reduce the need for staff to have conflicting roles.				

For the remaining two completed actions plans from the original audit, our comments are as follows.

- ☒ Fully Agree (provide detailed comments) – Development Services agrees with all of the recommendations.
☐ Agree Except For (provide detailed comments).
☐ Do Not Agree (provide detailed comments)

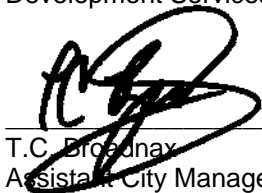
We are committed to addressing the recommendations in the audit report and the plan of actions presented above.

Sincerely,



Roderick Sanchez, Director
Development Services Department

September 22, 2011



T.C. Broadnax
Assistant City Manager
City Manager's Office

September 22, 2011
Date